

Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 12256 01 OF 02 051622Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 ICA-11 XMB-02 OPIC-03 SP-02 LAB-04
SIL-01 OMB-01 NSC-05 SS-15 STR-07 CEA-01 /091 W
-----022303 051639Z /50

R 051609Z JUL 78
FM AMEMBASSY BONN
TO SECSTATE WASHDC 9911
DEPARTMENT TREASURY
INFO AMEMBASSY BRUSSELS
AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 01 OF 02 BONN 12256

USEEC AND USOECD
DEPARTMENT PASS FRB AND CEA

E.O. 11652: N/A
TAGS: ECON EFIN GW
SUBJECT: DISAPPOINTING INDUSTRIAL PRODUCTION
AND NEW ORDERS DATA FOR MAY

1. IN MAY THE INDUSTRIAL PRODUCTION INDEX (SEASONALLY ADJUSTED; 1970 EQUALS 100) FELL BACK TO 115 FROM A REVISED 116 LEVEL FOR APRIL, ACCORDING TO PRELIMINARY FIGURES. INDUSTRIAL PRODUCTION IN APRIL/MAY ROSE 1.8 PERCENT ABOVE THE PREVIOUS TWO MONTHLY PERIOD (WHICH WAS AFFECTED BY STRIKES AND UNUSUALLY BAD WEATHER) BUT FELL 2.1 PERCENT SHORT OF THE DECEMBER/JANUARY PERIOD.

2. INDUSTRIAL PRODUCTION THROUGH THE FIRST TWO MONTHS OF THE SECOND QUARTER HAS BEEN AT AN ONLY SLIGHTLY HIGHER LEVEL THAN THAT OF THE FIRST QUARTER OF THE YEAR. WHILE THE UPWARD REVISION FOR APRIL SOFTENS THE IMPACT OF THE MAY DOWNTURN IN INDUSTRIAL PRODUCTION, THE MAY FIGURES
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 12256 01 OF 02 051622Z

OBVIOUSLY UNDERMINE EXPECTATIONS OF A RAPID PICK UP IN ECONOMIC ACTIVITY FOLLOWING DISAPPOINTING FIRST QUARTER RESULTS.

3. NEW ORDER DATA ARE ALSO DISAPPOINTING. THE SEASONALLY ADJUSTED OVERALL INDEX OF THE VOLUME OF NEW ORDERS (1970 EQUALS 100) FOR APRIL WAS REVISED DOWNWARD TO 114

AND FELL IN MAY TO 112. DOMESTIC ORDERS WERE OFF BY ALMOST
THREE PERCENT IN MAY WHILE FOREIGN ORDERS ROSE SLIGHTLY.

4. BELOW ARE TABLES OF PRODUCTION AND ORDERS SINCE
OCTOBER 1977:

TABLE I
INDUSTRIAL PRODUCTION INDEX
SEASONALLY ADJUSTED (1970 EQUALS 100)

----- THEREOF -----				
1977	TOTAL	CONSTRUCTION	CAPITAL GOODS	CONSUMER GOODS

OCT	114	98	115	116
NOV	115	98	115	115
DEC	117	101	119	117
1978				

JAN	118	103	120	117
FEB	113	87	114	113
MAR	113	96	109	113
APR	116	104	110	115
MAY	114	97	109	113

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BONN 12256 01 OF 02 051622Z

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 BONN 12256 02 OF 02 051622Z

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03

INR-10 NSAE-00 ICA-11 XMB-02 OPIC-03 SP-02 LAB-04

SIL-01 OMB-01 NSC-05 SS-15 STR-07 CEA-01 /091 W

-----022304 051639Z /50

R 051609Z JUL 78

FM AMEMBASSY BONN

TO SECSTATE WASHDC 9912

DEPARTMENT TREASURY

INFO AMEMBASSY BRUSSELS
AMEMBASSY PARIS

LIMITED OFFICIAL USE SECTION 02 OF 02 BONN 12256

USEEC & USOECD

TABLE II
NEW ORDERS VOLUME
SEASONALLY ADJUSTED (1970 EQUALS 100)

1977	TOTAL	DOMESTIC	FOREIGN
OCT	116	106	150
NOV	117	106	149
DEC	123	113	151
1978			
JAN	114	107	140
FEB	112	102	141
MAR	113	102	151
APR	114	105	142
MAY	112	102	143

TABLE III
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 12256 02 OF 02 051622Z

DOMESTIC CAPITAL AND CONSUMER GOODS
NEW ORDERS VOLUME
SEASONALLY ADJUSTED (1970 EQUALS 100)

1977	CAPITAL GOODS	CONSUMER GOODS
OCT	111	103
NOV	116	100
DEC	123	104
1978		
JAN	111	109
FEB	102	102
MAR	103	101
APR	107	106
MAY	104	102

STOESSEL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDUSTRIAL PRODUCTION, DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 05 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BONN12256
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780276-0002
Format: TEL
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780796/aaaaddck.tel
Line Count: 166
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7fb37c7b-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2119755
Secure: OPEN
Status: NATIVE
Subject: DISAPPOINTING INDUSTRIAL PRODUCTION AND NEW ORDERS DATA FOR MAY
TAGS: ECON, EFIN, GE
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/7fb37c7b-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014